



**New England**

**U.S. Department of Housing and Urban Development**

Community Planning and Development Division  
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February 9, 2024

Ms. Anita Carpenter, Grants Officer  
Community Development  
City of Stamford  
888 Washington Blvd, 7<sup>th</sup> Floor  
Stamford, CT 06901

**SUBJECT: 2022 Annual Community Assessment**

Dear Ms. Carpenter:

The U.S. Department of Housing and Urban Development (HUD), Region I, Hartford Field Office of Community Planning and Development (CPD) assesses the performance of its grant recipients on an annual basis. This assessment is based on the Consolidated Annual Performance and Evaluation Report (CAPER) submitted by you as a grant recipient, as well as information collected from other financial and performance reports, correspondence, and monitoring reports. This letter conveys the results of our evaluation for the 2022 program year.

Based on this analysis, we have determined that the City of Stamford has the continuing capacity to administer its CPD funded programs. The activities undertaken are consistent with your HUD-approved Consolidated Plan, and the city continues to make progress in meeting its housing and community development goals. We recognize the challenges associated with the introduction of new key staff and commend the City for its commitment to ensuring new team members acquire the necessary knowledge for the proper execution of its funds, especially the HOME program. HUD underscores the significance of timely fund expenditure, emphasizing the need to meet all submission and program requirements for the effective service of participants and stakeholders. Looking ahead, HUD eagerly anticipates reviewing the City's accomplishments detailed in the FY2023 CAPER.

However, we note that in the program years 2021 and 2022, the funds allocated for the City of Stamford's HOME Investment Partnership Program (HOME) have not been fully utilized to meet the established goals. The City has acknowledged its HOME funds for the 2022 program year were not utilized due to the recent transition of CDBG and HOME funding returning to the Grant Office, and newly assigned staff are currently learning programmatic regulations to ensure program delivery. We are also aware that the City has re-started its Homeownership program, as evidenced by the multiple drawdowns made from September 2023 to the date of this letter, with the latest transaction recorded on October 13, 2023. Therefore, only a Concern has been raised.

While remaining balances on expiring funds were successfully obligated, the absence of coordination affected the execution of the HOME program, as seen in reports and the City's CAPER. To address this, we recommend conducting a comprehensive review of the HOME program to ensure alignment with goals and efficient project completion procedures. The City can also request informal and/or formal technical assistance through our office or through HUD Exchange.

Additionally, the IDIS Financial Summary Report (PR26) revealed a regulatory violation found within the CAPER review as the percentage expended for Public Service Activities is 16.04% which exceeds the 15% cap for Public Services. Therefore, a finding of noncompliance is issued including corrective action requiring the repayment of the excess funds.

### **Finding # 1**

Condition: The City exceeded the regulatory cap requirement for Public Services Activities.

Criteria: Based on 24 CFR 570.201(e)(1), the City shall not exceed 15% of each grant for the Public Services category.

Cause: The City's lack of proper planning for activities and expenditures for this category of funds resulted in the City exceeding the regulatory cap.

Effect: Per the PR26, the City expended 16.04% on Public Services Activities.

Corrective Action: To address this deficiency, you are requested to take the following action within 30 days of the date of this letter: 1) use the enclosed worksheet to confirm expenditures on public services (see Parts I & II below); 2) the City should review the timing and use of its public service obligations and expenditures for any evidence that those costs were outside of the compliance period or attributable to other activity categories; 3) should the City conclude that it did exceed the cap, it may repay the excess expenditures with non-federal funds; 4) once any adjustments or repayment have been complete, please provide an updated PR26 along with confirmation of repayment.

Please respond to the Finding identified in this letter, in accordance with the response timeframes outlined above. In addition, within 30 days from the date of this letter, you have the opportunity to provide additional information documenting that, contrary to the identified Finding, you can demonstrate compliance with the requirements outlined in the Finding. If you fail to respond within 30 days, or if the response is unsatisfactory to HUD, you must undertake corrective action. Similarly, if you have any technical corrections to HUD's determinations or conclusions outlined in this letter, please address these issues in writing to this Department within 30 days of the date of this letter. Your written communication should explain the needed correction, along with supporting evidence. All communications should be sent to the attention of your HUD Reviewer.

In accordance with the Consolidated Plan regulations described at 24 CFR §91.525, if the City has comments regarding our conclusions, please submit them to this office within 30 days of receipt of this letter. If we do not receive comments within the 30-day time period, this letter will be considered final and can be made available to the public.

If there are any questions or a request for technical assistance, please do not hesitate to contact Ms. Shanielle Copeland, Community Planning and Development Representative, at [shanielle.l.copeland@hud.gov](mailto:shanielle.l.copeland@hud.gov).

Sincerely,



Phillip E. McKeough  
CPD Director

cc: Ms. Moria Sawch, CDBG/HOME Administrator  
Mr. Arnold Knittle, CDBG/HOME Program Specialist

<b>Worksheet II: Guide for Review of Compliance with the Public Services Cap</b>			
<b>Name of Program Participant:</b> City of Stamford			
<b>Program Year Being Assessed:</b> PY22			
<b>Name(s) of Reviewer(s)</b>	Shanielle Copeland	<b>Date</b>	January 22, 2024

**Instructions:** This Worksheet is designed to answer question 5 of this Exhibit. Follow the steps below to determine the maximum amount that an entitlement community obligated for Public Services during a program year.

**Part I: Calculating the Cap**

1. *Enter* the amount of the Entitlement Grant awarded for the program year, as shown in the Grant Agreement on line 11.b of the Funding Approval form (HUD-7082): \$ 877,693.00
2. *Multiply* the amount on line 1 by 0.15 and enter the product here: \$ 131,653.95
3. *If applicable to this community*, enter here the amount determined as described in the \* **Note** below: \$ N/A
4. *Enter* here the total amount of program income received by the program participant and all of its subrecipients during the program year preceding the year for which this cap is being determined: \$ 0.00
5. *Multiply* the amount on line 4 by 0.15 and enter the product here: \$ N/A
6. *Add* the amount on line 5 to the amount on line 2 (or, where applicable, to the amount on line 3) and enter the sum here. This is the maximum amount that this community may obligate during the program year for activities carried out under the category of Public Services and under the category of Special Activities by Community Based Development Organizations (CBDOs) which are not expressly exempt from the cap: \$ 131,653.95

**\*Note:** If the program participant, *with the expressed consent of HUD*, obligated more than 15% of its annual entitlement grant during either its 1982 or 1983 program year for public services, the program participant may use, for this calculation in lieu of 15% of its current grant, the *greater* of the following amounts:

Enter here the amount the program participant actually obligated for public services during that program year: \$ N/A

or

identify the percentage of the grant obligated for public services during that program year and multiply the amount on line 1 above, by the decimal equivalent of this percentage in lieu of 0.15 and

enter the product here:

\$ N/A

## **Part II: Determining Compliance with the Cap**

Compliance with the public services cap for program participants is determined by performing the following calculation at the end of each program year:

*Determine* the total amount of CDBG funds expended during the program year for activities that are classified as eligible under 24 CFR 570.207(e) plus any public services carried out by a CBDO under 24 CFR 570.204 that are not exempt from the cap as provided under 24 CFR 570.204(b)(2)(i) or (ii) and enter the total here: \$ 140,747.79

*Identify* the total amount of unliquidated obligations for activities under these same two categories, as of the end of the program year and enter the total here: \$ 0.00

*Add* the above two numbers and enter the subtotal here: \$ 140,747.79

*Identify* the total amount of unliquidated obligations for these two categories, as of the end of the preceding program year and enter that amount here: \$ 0.00

*Subtract* the figure in the line directly above from the preceding subtotal and enter the balance here. (This is the amount of net obligations for public services that were incurred during the program year and are subject to the cap.) \$ 140,747.79

If the amount of net obligations incurred during the program year does not exceed the amount determined under Part I as the maximum amount allowed for the year, the program participant is in compliance with this limitation.